

**DEPARTMENT OF PERSONNEL ADMINISTRATION
SUMMARY OF COLLECTIVE BARGAINING AGREEMENT
FOR BARGAINING UNIT 13
2006-2008 MEMORANDUM OF UNDERSTANDING**

**Exclusive Employee Representative
International Union of Operating Engineers**

Number of Employees: Approximately 947 full-time equivalents

I. Compensation

One-Time Bonus

- Upon ratification, all employees in Bargaining Unit 13 will receive a one-time bonus of \$1,000.

Cost-of-Living Adjustments

- Effective July 1, 2006, all employees in Bargaining Unit 13 will receive a 3.5% General Salary Increase.
- Effective July 1, 2007, all employees in Bargaining Unit 13 will receive a COLA of 2-4% (actual amount to be based on the Consumer Price Index for the 12-month period from April 2006 through March 2007).

Pay Differentials¹

- Effective January 1, 2007, the existing monthly differential for specified chief plant operators increases from 5% to 6%. (*Attachment A*) Employees who receive this differential are **not** eligible for the following new differential.
- Effective January 1, 2007, a 4% differential will be implemented for employees in specified water and sewage plant classifications who hold a valid "Wastewater and Water Treatment Certification" at Grade III or higher, issued by the State of California.² To receive it, an employee must currently be certified or, if obtaining the certification after January 1, 2007, work at a facility rated Level III or higher or where a department has determined such certification is needed at a lower-rated facility. (*Attachment A*)

II. Retirement

Benefit Calculation

- For employees hired on or after January 1, 2007, retirement benefits will be based on the highest consecutive-three-year average salary.

III. Health Benefits

Employer Contribution

- Effective July 1, 2006, the State's monthly contribution to employee health premiums is

¹ Paid in addition to the employee's regular salary; expressed as a percentage of monthly salary.

² Grades III and higher are the highest levels of water and sewage treatment plants in California, as measured by capacity and complexity.

set at a dollar amount that equals the 80/80 formula³: \$302 for 1-party, \$606 for 2-party, and \$788 for family coverage. When premiums increase January 1, 2007, and January 1, 2008, the State will raise its contribution so the dollar amount continues to equal the 80/80 formula.

Dependent Coverage

- Employees hired on or after January 1, 2007, will become eligible for the full employer contribution for dependent health coverage after completing their first two years of State employment. The State will contribute half the normal amount for dependents during the first year and 75 percent during the second year.

IV. Other

Mileage Reimbursement

- Employees authorized to use a privately owned vehicle on State business will be entitled to claim mileage reimbursement at the federal standard mileage rate. The federal standard mileage rate is currently 44.5 cents per mile.

V. Duration

- July 1, 2006, through June 30, 2008

³ Under this formula, the employer contribution for single-party coverage is 80 percent of that year's weighted average premium of the four plans with the highest employee enrollment; 80 percent for dependent coverage.

Attachment A

The pay differentials described below apply only to full-time BU 13 employees in the following classifications:

Water & Sewage Plant Operator (class code 6191)
Water & Sewage Plant Supervisor (class code 6723)
Water & Sewage Plant Supervisor, Angel Island (class code 5067)
Water & Sewage Plant Supervisor, Correctional Facility (class code 6724)

Current Differential

- Effective January 1, 2007, the 5% differential currently authorized by Article 16.9 for employees in these classes designated "Chief Plant Operator" will increase to 6%.

New 4% Differential

- Effective January 1, 2007, employees in the classes listed above who hold a valid State of California Wastewater and Water Treatment Certification⁴ at Grade III or higher will receive a new 4% differential each month, regardless of whether the facility they work at is rated Level III or higher.
- Employees certified after January 1, 2007, will receive the new 4% differential only if they work at a facility rated Level III or higher.
- Employees certified after January 1, 2007, who work at a Level I or II facility will receive the new 4% differential only if their department determines a need for them to be certified at Grade III or higher.

Limitations

- Employees cannot receive more than one of the preceding differentials per pay period.

⁴ Issued by the State Water Resources Control Board and/or State Department of Health Services